

## QUARTERLY ACTIVITIES REPORT

- Excellent metallurgical test results continue from McDermitt US Lithium Project
- Phase 2 drill program at McDermitt commenced post quarter
- Entitlement Offer to Shareholders announced 10 July 2019
- Jindalee successful with application for JMEI credits for FY2020
- At 30 June 2019 Jindalee held cash and marketable securities of \$3.2M and no debt

During the quarter, Jindalee was primarily focussed on its McDermitt US Lithium project where excellent results continue to be received from metallurgical testwork. A 1 for 10 non-renounceable rights issue was announced post quarter end.

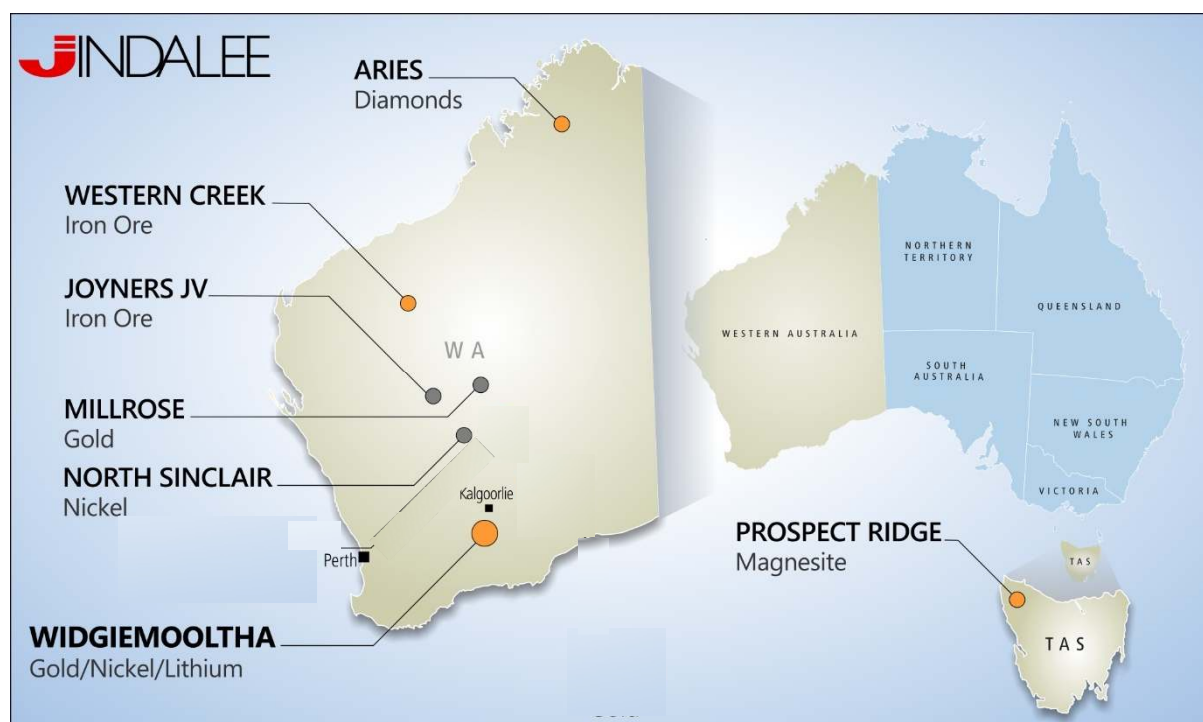
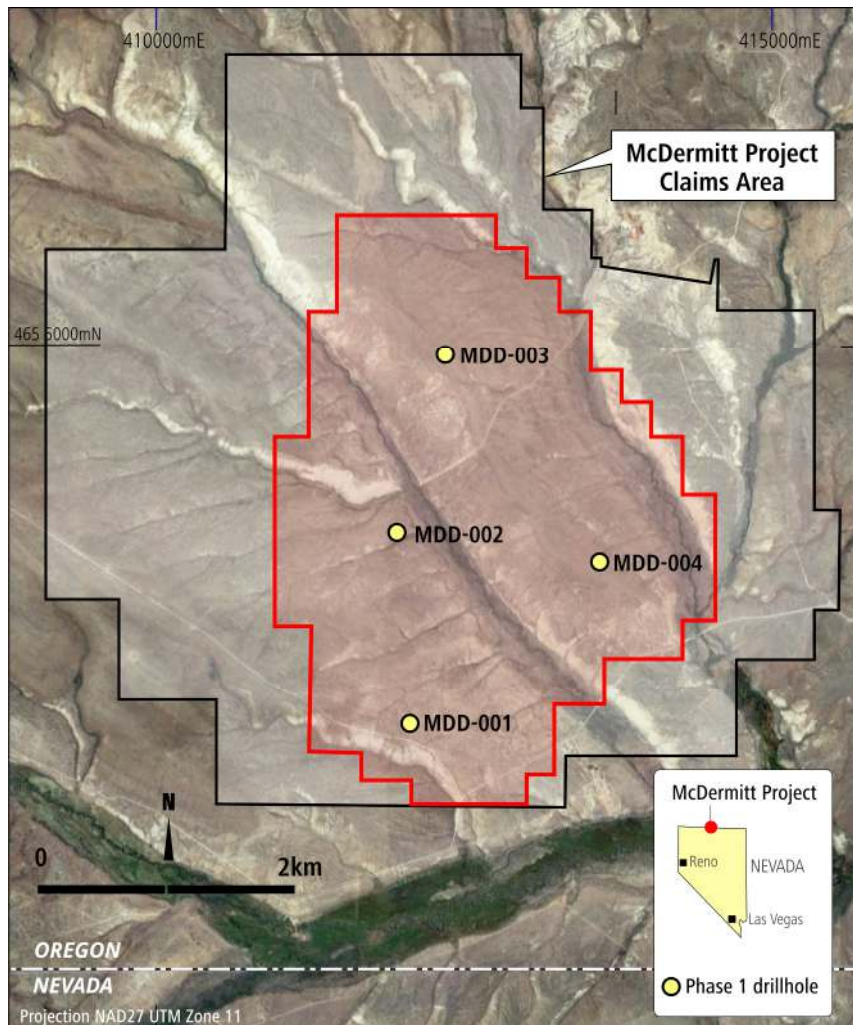


Figure 1 – Location of Jindalee’s Australian Projects.

## US LITHIUM

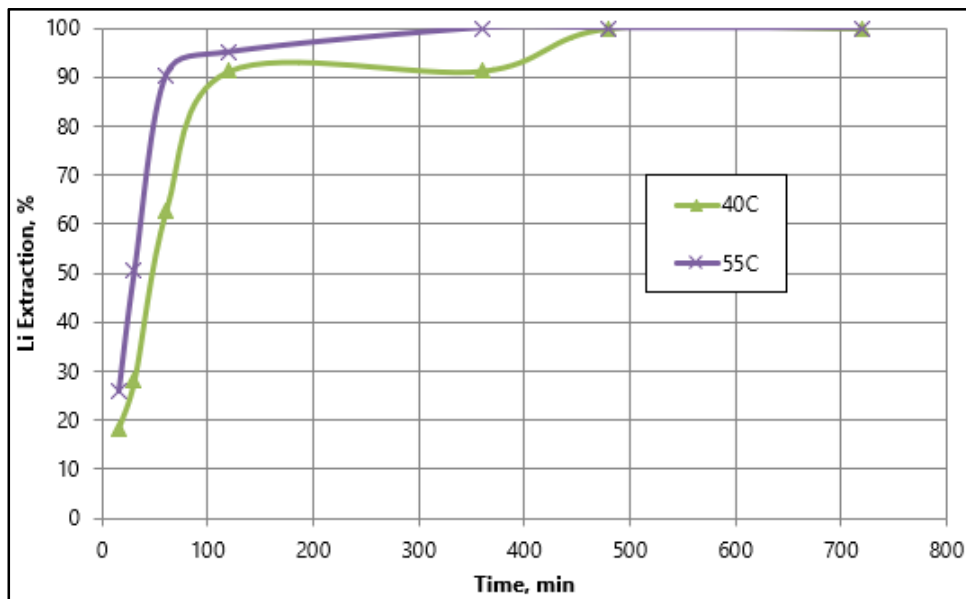
In September 2018 Jindalee completed four vertical diamond drill holes at its wholly owned McDermitt project. Assay results were used in the estimation of an Exploration Target of sufficient scale to demonstrate that the McDermitt project has the potential to host one of the largest lithium deposits in the USA<sup>1</sup>.



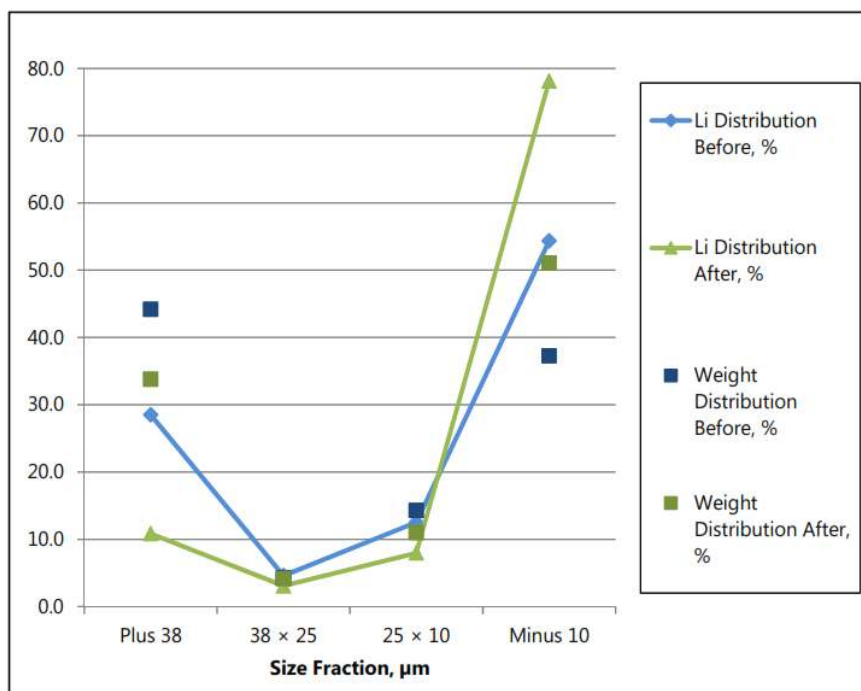
**Figure 2 – McDermitt Project.**

During and immediately post quarter end, Jindalee received several positive metallurgical test results<sup>2,3,4</sup> (Figures 3, 4). Overall these tests indicate that high lithium recoveries are able to be achieved using a conventional sulphuric acid leach at atmospheric pressures and moderate temperatures. These results provide further encouragement for Jindalee to continue to progress work at McDermitt and compare very favourably with those published for similar sediment hosted lithium projects.

A range of additional tests and opportunities for ore beneficiation are currently being investigated with the goal of optimising leach parameters and producing a leachate amenable to subsequent processing. Results will be published as they are received.



**Figure 3 – Recent sulphuric acid leach test results showing over 90% of Li can be recovered within two hours at moderate temperatures.**



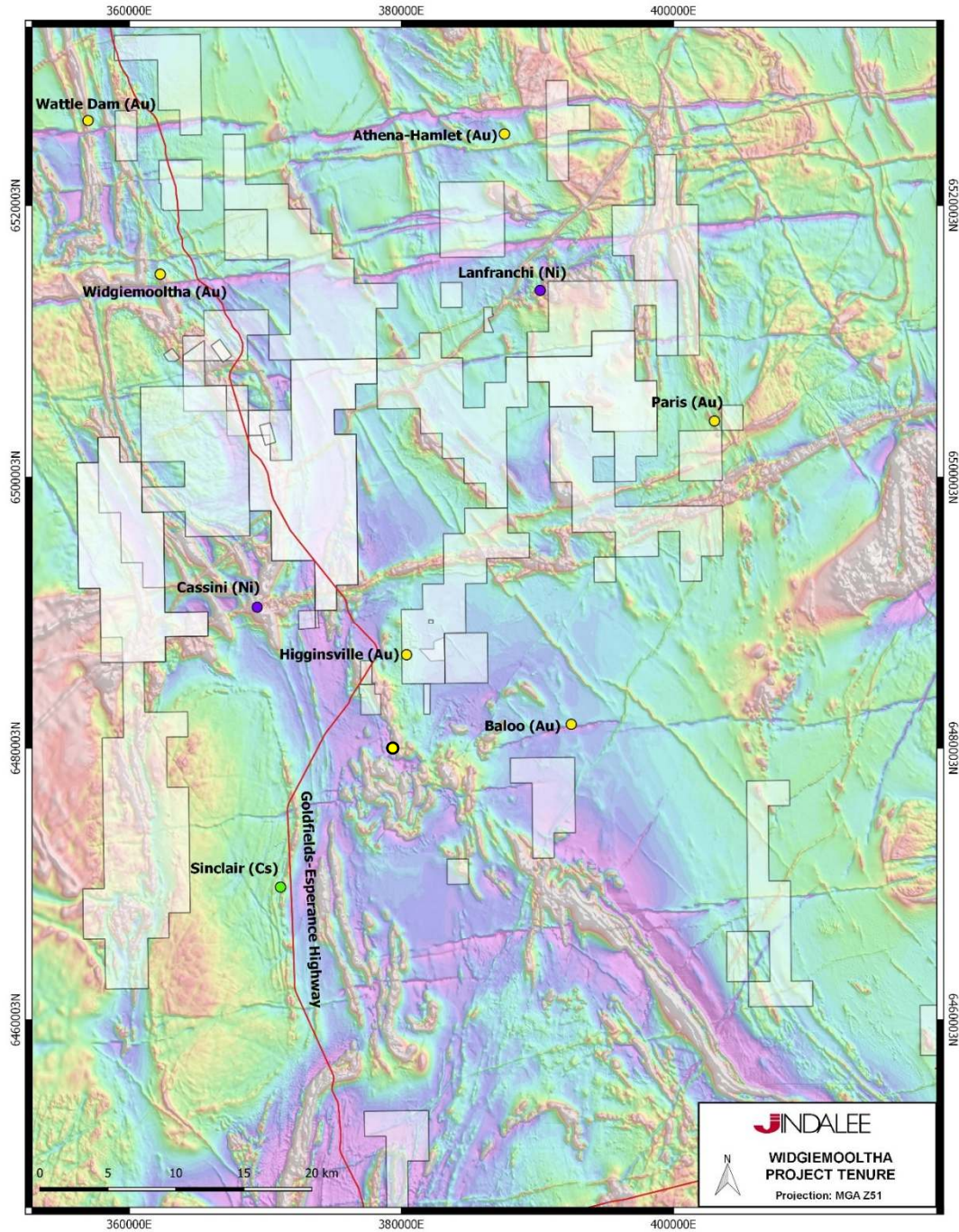
**Figure 4 – Lithium distribution by size fraction before and after attrition scrubbing showing the concentration of Lithium in the minus 10 micron size fraction, suggesting the potential for beneficiation of the run of mine ore.**

The current drill program at McDermitt has been slowed by mechanical issues experienced by the drill contractor, and a second contractor has been mobilised to site. No impact to the planned timetable for resource estimation and updated Exploration Target is anticipated.



## WIDGIEMOOLTHA PROJECT

Jindalee’s largest Australian project is situated in the Western Australian goldfields south of Kalgoorlie. A significant ground position has been built over the last three years in this premier mining district. During the quarter the Company continued to build on its substantial ground position, adding several new tenement applications, and consolidating others (Figure 5, Table 2). Holding costs remain minimal with most tenements still in application (Jindalee is the sole applicant in almost all cases).



**Figure 5: Widgiemooltha Project tenure and nearby deposits/mines as at 30 June 2019 over magnetics (TMI RTP). Portions of Jindalee tenure are excised by pre-existing leases.**

## **JOINT VENTURES and NON-MANAGED PROJECTS**

### **Camel Bore and North Sinclair (Aldoro 80% of non-gold rights)**

The potential of Aldoro's (ASX: ARN) non-gold rights at North Sinclair were highlighted by the discovery of shallow nickel mineralisation in drilling by Talisman Mining at their 'Amy Rix' prospect along strike from one of the prospect areas highlighted in recent electromagnetic surveys conducted by Aldoro<sup>5</sup>.

### **Joyners (GWR Group 80%, Jindalee 20% free carried)**

The Joyners joint venture with GWR Group Limited (ASX: GWR) forms a part of GWR's much larger Wiluna West project. GWR has earned an 80% interest in M53/1078, with Jindalee maintaining a 20% interest, free-carried through to completion of a Bankable Feasibility Study.

No work was reported on the joint venture ground during the Quarter. However, GWR has been in voluntary suspension since 11 June 2019 pending the release of an announcement regarding a potential asset disposal and further GWR updates have not been released since this date<sup>6</sup>.

### **Kelly Well and New Bore (Dacian Gold 90%, Jindalee 10% free carried)**

Jindalee's 10% interest in the Kelly Well and New Bore projects is free carried to completion of a feasibility study at which point Jindalee can elect to contribute pro-rata or dilute, with Jindalee reverting to a 1% net smelter royalty if its interest falls below 5%.

No work was reported on the joint venture ground during the quarter.

## **CORPORATE**

At 30 June 2019, Jindalee held cash and marketable securities worth approximately \$3.2M. These assets, combined with our tight capital structure (35M shares on issue), provide a strong base for leverage into new opportunities.

Post quarter end Jindalee announced a 1 for 10 pro-rata non-renounceable rights issue<sup>7</sup> to raise up to \$1.05M to advance the McDermitt Lithium Project and Widgiemooltha Gold-Nickel Project. The Offer Booklet was dispatched to eligible Shareholders on 18 July 2019<sup>8</sup>.

Jindalee was successful in its application to the Federal Government's 'Junior Minerals Exploration Incentive' (JMEI) Scheme and has received an allocation to create refundable tax credits for the current financial year. This gives Jindalee the opportunity to issue tax credits to Shareholders who participate in any potential capital raising for eligible exploration activities between 1 July 2019 and 30 June 2020. Success with its JMEI application gives Jindalee the ability to pass tax credits relating to eligible Australian exploration expenditure through to Shareholders participating in the current rights issue.

Post quarter end Jindalee also announced the signing of a Binding Agreement to sell a number of royalty interests to SilverStream SEZC for a total consideration of \$500 000<sup>9</sup>. The agreement is subject to a number of conditions including third party consents and approvals being obtained by Jindalee and completion of further documentation.

### **Alchemy Resources Limited (Jindalee 4% of issued capital)**

Jindalee is Alchemy Resources Limited's (ASX: ALY) third largest shareholder, providing Shareholders with exposure to Alchemy's Bryah Basin gold and base metals project (WA), the Karonie gold project (WA), and a farm in and joint venture over gold and base metal prospective properties in central NSW (the Cobar Basin/Lachlan Fold Belt Projects).

During the quarter Alchemy announced positive metallurgical test work results at West Lynn<sup>10</sup>, a resource upgrade at Hermes South<sup>11</sup> and a maiden high purity alumina resource at Summervale<sup>12</sup>.

### **Energy Metals Limited (Jindalee 6.7% of issued capital)**

Jindalee holds approximately 14 million Energy Metals (ASX: EME) shares, giving Shareholders continued exposure to the development of the Bigrlyi uranium-vanadium deposit and the potential of Energy Metals' other uranium projects. No activity by Energy Metals was reported during the quarter.

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## **ADDITIONAL INFORMATION**

### Notes:

1. Jindalee Resources Ltd ASX announcement 20/11/2018: "Lithium Exploration Target at McDermitt".
2. Jindalee Resources Ltd ASX Announcement 2/4/2019: "Excellent Metallurgical Test Results from McDermitt".
3. Jindalee Resources Ltd ASX announcement 19/6/2019: "US Lithium Project Update".
4. Jindalee Resources Ltd ASX announcement 19/7/2019: "Further Positive Metallurgical Test Results from McDermitt".
5. Aldoro Resources Ltd ASX Announcement 23/5/2019: "Prospectivity of Leinster Nickel Project Enhanced".
6. GWR Group Ltd ASX Announcement 13/6/2019: "Suspension from Official Quotation".
7. Jindalee Resources Ltd ASX announcement 10/7/2019: "Entitlement Offer to Raise \$1M".
8. Jindalee Resources Ltd ASX announcement 18/7/2019: "Despatch of Offer Document".
9. Jindalee Resources Ltd ASX announcement 25/7/2019: "Jindalee to sell Royalties for \$0.5M."
10. Alchemy Resources Ltd announcement to ASX 29/4/2019: "West Lynn Nitric Acid Leach Testwork Results".
11. Alchemy Resources Ltd announcement to ASX 8/5/2019: "Hermes South Resource Upgrade".
12. Alchemy Resources Ltd announcement to ASX 19/6/2019: "Maiden Alumina Resource Estimate – Summervale Prospect".

### Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Pip Darvall. Mr Darvall is an employee of the Company and a Member of the Australian Institute of Geoscientists and Australian Institute of Mining and Metallurgy. Mr Darvall has sufficient experience relevant to the styles of mineralisation and types of deposits under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves.' Mr Darvall consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

### Forward-Looking Statements

This document may contain certain forward-looking statements. Forward-looking statements include but are not limited to statements concerning Jindalee Resources Limited's (Jindalee's) current expectations, estimates and projections about the industry in which Jindalee operates, and beliefs and assumptions regarding Jindalee's future performance. When used in this document, the words such as "anticipate", "could", "plan", "estimate", "expects", "seeks", "intends", "may", "potential", "should", and similar expressions are forward-looking statements. Although Jindalee believes that its expectations reflected in these forward-looking statements are reasonable, such statements are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Jindalee and no assurance can be given that actual results will be consistent with these forward-looking statements.



## Tenement Information

Project	Tenement ID	Location	Status	Interest at beginning of Qtr	Interest at end of Qtr
Mt Barnett	E04/2512	Western Australia	Application	100%	100%
Pillara	E04/2592	Western Australia	Application	100%	0%
Planets	E15/1549	Western Australia	Granted	100%	100%
Widgie	E15/1552	Western Australia	Granted	100%	100%
Highway	E15/1563	Western Australia	Application	100%	100%
Railway	E15/1564	Western Australia	Granted	100%	100%
Lawry	E15/1624	Western Australia	Application	100%	100%
Lawry	E15/1625	Western Australia	Application	100%	0%
Lawry	E15/1626	Western Australia	Granted	100%	100%
Wannaway	E15/1636	Western Australia	Application	100%	0%
Planets	E15/1639	Western Australia	Application	100%	100%
St Ives	E15/1642	Western Australia	Application	100%	0%
Widgie	E15/1645	Western Australia	Application	100%	100%
St Ives	E15/1647	Western Australia	Application	100%	100%
St Ives	E15/1648	Western Australia	Application	100%	0%
St Ives	E15/1650	Western Australia	Application	100%	100%
St Ives	E15/1653-4	Western Australia	Application	100%	0%
Chalice	E15/1660	Western Australia	Application	100%	0%
Higginsville	E15/1667	Western Australia	Application	100%	100%
St Ives	E15/1669-70	Western Australia	Application	100%	100%
Widgie	E15/1680	Western Australia	Application	100%	100%
Higginsville	E15/1691	Western Australia	Application	100%	100%
St Ives	E15/1692	Western Australia	Application	100%	0%
Widgie	E15/1696, 1698	Western Australia	Application	100%	0%
Widgie	E15/1697	Western Australia	Application	100%	100%
St Ives	E15/1699	Western Australia	Application	100%	100%
Widgie	E15/1700	Western Australia	Application	100%	100%
St Ives	E15/1703-4	Western Australia	Application	100%	100%
Chalice	E15/1705	Western Australia	Application	100%	100%
Widgie	E15/1712-3	Western Australia	Application	0%	100%
Salt Creek	E15/1716	Western Australia	Application	0%	100%
St Ives	E15/1718	Western Australia	Application	0%	100%
St Ives	E15/1720	Western Australia	Application	0%	100%
Chalice	E15/1721	Western Australia	Application	0%	100%
St Ives	E15/1722	Western Australia	Application	0%	100%
Higginsville	P15/6112	Western Australia	Granted	100%	100%
Railway	P15/6245-6	Western Australia	Application	100%	100%
Highway	P15/6267-8	Western Australia	Application	100%	100%
Widgie	P15/6342-3	Western Australia	Application	100%	100%
Widgie	P15/6367	Western Australia	Application	100%	100%
Widgie	P15/6388	Western Australia	Application	100%	100%
Salt Creek	E25/562	Western Australia	Granted	100%	100%
Salt Creek	E25/572	Western Australia	Application	100%	100%
Salt Creek	P25/2568	Western Australia	Application	100%	100%
Yindi	E28/2708	Western Australia	Granted	100%	0%



## Tenement Information (continued)

Project	Tenement ID	Location	Status	Interest at beginning of Qtr	Interest at end of Qtr
North Sinclair	E36/895	Western Australia	Granted	100%	100%
Camel Bore	E36/910	Western Australia	Granted	100%	100%
Camel Bore	E36/953	Western Australia	Application	100%	100%
Lockyer Well	E37/1370	Western Australia	Application	0%	100%
New Bore	E38/3211	Western Australia	Granted	100%	10%
Kelly Well	E38/3272	Western Australia	Granted	100%	10%
Kelly Well	M39/1135	Western Australia	Application	100%	10%
Kenya	E39/1998	Western Australia	Granted	100%	100%
Kenya	E39/2005	Western Australia	Granted	100%	100%
Macey Hill	P39/5925-6	Western Australia	Granted	100%	100%
Meentheena	E45/5381	Western Australia	Application	100%	100%
Mt Samson	E47/3975	Western Australia	Application	100%	100%
Bundie Bore	E51/1909	Western Australia	Application	100%	100%
Bundie Bore	P51/3145-7	Western Australia	Application	0%	100%
Western Creek	E52/3520	Western Australia	Granted	100%	100%
Millrose	E53/1962	Western Australia	Granted	100%	100%
Taipan	E63/1823	Western Australia	Granted	100%	100%
Jeffreys Find	E63/1832	Western Australia	Granted	100%	100%
Killaloe	E63/1874-5	Western Australia	Granted	100%	100%
Mission	E63/1916	Western Australia	Application	100%	100%
Forrestania	E77/2575-6	Western Australia	Application	100%	100%
Aries	E80/5027	Western Australia	Granted	100%	100%
Cummins Range	E80/5091*	Western Australia	Application	100%	100%
Aries	E80/5117****	Western Australia	Application	0%	0%
Joyners	M53/1078-1	Western Australia	Granted	20%	20%
Prospect Ridge	EL5/2016**	Tasmania	Granted	100%	100%
McDermitt	HTM 1-242***	Oregon, USA	Granted	100%	100%
McDermitt	HTM 243-354***	Oregon, USA	Granted	100%	100%
Clayton North	HTC 1-28***	Nevada, USA	Granted	100%	100%

\* Tenement held or applied for through JRL's wholly-owned subsidiary, Eastmin Pty Ltd.

\*\*Tenement held or applied for through Jindalee's wholly-owned subsidiary, HiTec Minerals Pty Ltd.

\*\*\*Tenements held or applied for through Jindalee's wholly-owned US subsidiary, HiTech Minerals Inc.

\*\*\*\*Diamond rights only on Celsius Resources Ltd tenement.